

FitchRatings

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Ms. Lisa Wilson
MBIA Insurance Corp.
113 King Street
Armonk, NY 10504
May 6, 2003

Dear Ms. Wilson:

Re: City and County of Honolulu
\$218,400,000
Wastewater System Revenue Bonds (Second Bond Resolution)
Junior Series 2003A-1 and 2003A-2 and Junior Series 2003B-1 and 2003B-2
(Auction Rate Certificates)
(41122(1))

Fitch Ratings has assigned a rating of 'AAA' to the above referenced Bonds. This reflects credit enhancement in the form of a bond insurance policy provided by MBIA Insurance Corp. (MBIA), which has an insurer financial strength rating of 'AAA'. Fitch Ratings defines companies with 'AAA' insurer financial strength ratings as follows, "Companies are viewed as possessing exceptionally strong capacity to meet policyholder and contract obligations. Risk factors are minimal and the impact of any adverse business and economic factors is expected to be extremely small."

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Sincerely,



Becky K. Christensen
Manager / Insured Ratings